lit has 1050

MERCHANDUM OF CONVERSATIONS

SUB ACT: . Recommic Intelligence

1. At about 1020 on 10 May Dr. of 660 pelled to say that some time ago he was talking to be. about the problem of adding precision and relatedness to the work of OSO in the collection of economic intelligence, and to a high degree getting this collection on more of a case by case basis and about the med for guidance to 050 respecting its collection of scenario information. Dr. stated that in response to a petition to CRE for this guidance to 000, of CRE, had called a conference for 1100 on 10 May. Dr. solicited or views respecting the problem. It was agreed that OFC and 050 had similar needs for laads as to targets and for support information as to background sixonmetences surrounding particular phenomena and as to applicable 45 pelicies and as to priority considerations particular situations suggest. I said, in effect, that I am highly enthmainstic that ⁴⁵⁰ is interested in developing more of a case by case treatment of collection and in securing sufficiently specific information to permit working ascording to a scheme of priorities. With respect to the mosting I stated that it seemed appropriate that I should attend. I reported the essence of this conversation to DS III and was advised I perhaps should advise the new lisison control officer (by. or Mr. Because of insufficient time I was unable to make this report before the meting.

2. In attendance at the meeting from CEE were Col Debbitt, Chief; Deputy Chief of Flare and Policy Staff; Deputy Chief, Division of Economics; General Economic Review, Division of Economics; and Market Chief, Finance and Foreign Trade Section, Economic Branch.

Hy. Hy. Hall, also extended in addition to Dr. and myself.

I. Mr. Described his plan for general galdance which he felt should be fortherming through CES from interdepartmental work among representatives of the Manitions Roard, ESS, Departments of Commerce, State, etc., and GIA. He further saind for specific guidance on commodities of all types and specific guidance in terms

1950

SEC REMEIN

Approved For Release 2002/01/04 : CIA-RDP83-00036R001100030028/6) 2

2**5**X1A

25X1A 25X1A

25X1A 25X1A

20A IA

25X1A

25X1A

of categories and that to be supplemented by case problems. Dr. stated that he looked particularly to CRE for this specific guidance.

- 4. In the source of discussion I mentioned, particularly for the benefit of CRE experts, that I would like to invite them, when thinking on these problems, to consider the matters in terms of work in the field, either by OSO or by OFC, and to give thought to the appropriate character of specific orders which might properly go to field stations on economic matters.
- 5. There was considerable discussion of the degree of indisterminateness in expressions of national policy and of the lask of a clear coordinated erganisation of objectives in the body of expressed national policy. Comment was made that the national policy can be found in a great many segments, some of which conflict with one another. Therefore, prepenents of one policy can site that their position is the national policy and proposents of a policy in some degree in senflict can truly hold their position as being n national policy of record. It was held self-evident that until we got something better in terms of a body of soordinated policy, meny elements of the U.S. Government will individually have to make their own decisions and expose them to correction. When no correction is forthcoiding to proceed. Dr. Minist said, not having been guided externally for the past six years, 000 has made its own decisions to a great degree as to what it should callect. Maphasis was given guidance needed in the collection of economic information, particularly concerning the procurement of materials and goods by the USER and satellites thought connected with stockpiling which presumably would reflect USSR intentions. The representatives of the Economics Division, cell, agreed that USER expenditures for imports of materials showed the greatest proportion was for four commodities - rubber, cotton, tin and industrial discords. Therefore, they assumed that, insefer as USER requires materials for strategic stockpiling for preparation for war, these 4 should get the most asphasis.
 - expressed an interest in speaking further with
- extended to me an invitation to semement speak with him at any time about any matter of mutual interest. I extended to him the invitation to show no hemitancy or reluctance to pass on to us any ideas he may have pertinent to our work.
- 8. After returning from the meeting I spoke with both EXO and DEKO. I expressed the opinion that we should . work with full openness respecting potential OPC sperations with those experts in CRE concerning operations pertaining to their particular fields of

Approved For Release 2002/01/04::CIA-RDP83-00036R001100030028-6

25X1A

specialization - to be free to disclose to them possible specifis operations we might have in mind. I realised how they had contirmed to react to our expressions of interest in, and need for, information by saying that they had the feeling that they could be of more help if a more contrete idea of what was being contemplated could be disclosed. EXO said he saw no reason why such as arrangement could not be made. DEXO suggested we use the new liminon control mechanism to render such arrangements official. I propose to have written on the liaison control forms pertaining to economic work with specific individuals in this a statement it is planted to disclose to a specified degree our prespective intentions concerning operations pertinent to their particular fields of specialization. These forms will then be "put through channels." Lodgment in the Liaison Control Office without dejection will be taken as providing an officially approved arrangement of the character specified. Some potential operation, say, on machine tools, can then be discussed fully with the the expert on machine tools once the limison control form to that effect is on file.

appropriate way for us to obtain cutouts by using the facilities of oath. It is known generally that they prepare estimates and reports and have an interest in collecting information throughout the government. The OPC hand need not be shown. It would seem we have had opened to us quite a potential opportunity.

5

25X1A

GMP:gla

eat CPP

25X1A

MYO (Mr. and

Registry (2) Staybacks PB VI

Approved For Release 2002/01/04: CIA-RDP83-00036R001100030028-6